

Government of Karnataka
Department of Agricultural Marketing

Office of the Director
of Agricultural Marketing
No.16, 2nd, Raj Bhavan Road,
Bangalore 560001

Subject: Guidelines for price determination of commodities
through electronic platform – reg.

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Preamble

It is necessary to specify the process by which the sale price of commodities in such market area as specified under Rule 91-O (1) of the Karnataka Agricultural Produce Marketing (Regulation and Development) Rules, 1968 (“Rules”) shall be determined in an electronic platform and hence the following order is issued under Rule 91-O (2) of the Rules.

Order no. KruMaE/Niyavi/Avyava/315/13-14, dated:21/02/2014

1. Title

This order shall be called as “**Price Determination through the Electronic Platform Order**”.

2. Electronic Platform

The electronic platform for determination of sale price of commodities in the market area as specified under Rule 91-O (1) of the Rules shall be called the Unified Market Platform (“UMP”). The UMP and associated services shall be made available by Rashtriya e-Market Services Private Limited (“ReMS”).

3. Registration of farmers and other market participants

- (1) Farmers desirous of selling their produce in the markets specified under Rule 91-O (1) of the Rules shall provide particulars in the form in Schedule 1 and register with the authorities as may be directed by the Director of Agricultural Marketing.

- (2) Particulars of farmers collected for registration shall be entered in the UMP to facilitate extending benefits of the UMP to farmers.
- (3) The Secretary of the market committee shall take action to register the farmers who have not registered earlier so as to make the facilities available in the UMP in phased manner to all the farmers in the market area.
- (4) Action shall be taken to enter details of the market functionaries (commission agents/traders etc.,) available with the Secretary of the Market Committee or the Director of Agricultural Marketing in the UMP.
- (5) Every market functionary shall provide particulars of his bank account in the form as per Schedule 2 for transacting in the UMP. Action shall be taken to enter these details in the UMP.

4. Local and remote bidding markets

- (1) Market functionaries may or may not be physically present while transacting in the market yards.
- (2) In case of assayed commodities, where the market functionary is not physically present, he can rely upon the details of quality displayed on the UMP or samples made available in the markets where the produce is brought for sale and can register his bid for such produce.
- (3) In case the market functionary is physically present in the market yard, he can inspect physically the quality of the commodity in the lot and can decide the price to be offered for such produce. For this reason, assaying for the produce is not compulsory.

5. Deposit in a warehouse

- (1) A farmer can deposit the goods, if he desires, in the market yard. Deposit of such goods may be made by farmers or by commission agents on behalf of farmers.
- (2) Goods deposited in the warehouse shall be tested, accepted and stored in accordance with the Warehousing for the United Market Platform Order.

6. Registering the lot

- (1) Every lot that is brought in by a farmer, a commission agent or a trader to the market yard for sale shall be registered through one of the following mechanisms, namely, gate entry or lot entry.
- (2) Where the yard is well demarcated with distinct entry and exit points, details of the lot entering the market shall be entered in the UMP through the gate entry mechanism.
- (3) Where there are logistics problems (like lining up of vehicles at the gate, causing congestion or inconvenience) or possible problems due to variety or ownership segregation at the gate, details of the lots shall be entered through the lot entry mechanism by the commission agent. In case of absence of the commission agent for any reason whatsoever or where the farmer wants to sell the lot directly, details shall be entered by market officials.
- (4) In case particulars of the farmer are available through pre-registration, details of the lot brought to the yard shall be recorded in the name of the pre-registered farmer.

- (5) In case particulars of the farmer are not available in the pre-registration details maintained in the UMP, a onetime registration is completed as per clause (3) above and registration of the lot completed.
- (6) The lot registered through gate entry or lot entry shall include details of the commodity, variety if applicable, number of bags brought, type of bags used and the vehicle number. A unique lot number along with an optional short code shall be assigned to the lot and an entry acknowledgement slip issued to the farmer and details of the number of bags brought, description of the commodity and the approximate weight shall be recorded in the receipt.

7. Assaying of the lot

- (1) Assaying of the lot brought to the market yard, if desired by the farmer, shall be carried by the agency appointed by Rashtriya e-market services private limited. The sampling and assaying procedure specified in the respective orders for that commodity shall be scrupulously followed.
- (2) Assaying of the lot deposited in a authorized warehouse or market yards shall be compulsory. The cost of the first assaying shall be paid by Rashtriya e-market services private limited.
- (3) The assaying result of a lot deposited in a authorized warehouse or market yard shall have a validity as specified in the respective assaying certificate for that commodity. Goods that are in the warehouse beyond the validity period shall be re-assayed before being offered for sale through the UMP. The cost of re-assaying shall be borne by the owner of goods.

- (4) If the buyer demands re-assaying of goods after the sale, the cost thereof shall be borne by the buyer.

8. Pre-weighing of the lot

- (1) Every lot brought to the market yard for sale shall be pre-weighed by the commission agent in the presence of the farmer.
- (2) The farmer shall be given a slip in the form in Schedule 3 by the commission agent, containing details of the pre-weight recorded.
- (3) Pre-weighment data shall be entered by the APMC staff in the UMP against the said lot and displayed on the UMP screen for information of buyers.
- (4) In exceptional cases, where pre-weighing of the commodity is not feasible, the Secretary of the concerned market committee shall obtain the prior permission of the Director of Agricultural Marketing for exemption from pre-weighing in that market.
- (5) Such exemption shall be given for a specific period and after the expiry of the exemption period, pre-weighing in that market shall be undertaken.

9. Sale timings

- (1) Sale timings of commodities in markets deploying the UMP shall be between 10 am and 2 pm.
- (2) The market committee may extend the sale timing before 1.00 pm and shall give extensive publicity for the extension in the sale timing.

10. Marking the lot for sale

- (1) Lots brought to the market yard or the submarket yard and registered before 12 noon (either through the gate entry or lot entry mechanism) are by default marked for sale on the same day. Any lot brought after this time shall be marked for sale on the next sale day.
- (2) Lots deposited in a warehouse may be marked for sale for any day before the expiry of validity of assayed results, as indicated in the assaying certificate.
- (3) Lots being offered for sale shall be kept for sale within the prescribed time. The farmer may enter into an agreement with the commission agent for safekeeping his lot and this agreement will be a bilateral one. In such cases, the lot may be marked for sale on any subsequent sale day.
- (4) As any lot brought to the market yard is by default marked for sale on the same day or next sale day, in case a lot needs to be held back, it has to be explicitly done by the commission agent. Lots held back can be put up for sale any time thereafter. Lots for which bidding is in progress or concluded cannot be held back but trades could be rejected by the seller within the time allowed for rejection of bids.

11. Bidding

- (1) The E-tender process in the UMP is a confidential sale process where traders can quote for each lot and if they desire, they can revise their quotes upwards any number of times (but not downwards) till the tender closing time.

- (2) Bidders shall ensure that a pre-bid margin amount of 5 per cent of the value of the lots marked for sale is available with Rashtriya e-market services private limited before the opening of the tender. Availability and/or sufficiency of the pre bid margin would be checked before opening of tenders. Non availability and/or insufficiency of pre bid margin would lead to non-opening of the bid of the bidder.
- (3) Bids can be placed by traders through computers installed in the respective markets. Bidders may also place their bids from their offices/other locations/ mobile phones, provided they have access to the internet. In case bidders choose to place bids from their offices/other locations/through mobiles, it would be their responsibility to ensure sufficient and adequate connectivity and no claims on non-receipt of bids in the UMP due to connectivity problems at their end would be entertained.

12. Declaration of results of bidding

- (1) After the close of the bidding process, availability of pre bid margin with Rashtriya e-market services private limited shall be checked. In case of absence or insufficiency of pre-bid margin amount, the bid shall be rejected.
- (2) Results of bidding shall be declared immediately after the tender period is over and the result of the bid shall be communicated by the commission agent to the farmer. On instruction from the farmer, the commission agent may reject the winning bid within the rejection time provided through intimation in the prescribed format to the Secretary of the market

committee. If the bid is not rejected within the time provided, then the respective bid is deemed to have been accepted by the farmer.

- (3) Bids that remain after the rejection time is over shall be considered and the winning bid for every lot is declared. A list of winning bids shall be disseminated in real time through the UMP.
- (4) Pre bid margin amounts deposited by the bidder shall be adjusted against the Total Buyer Obligation Amount to be paid by the buyer.

13. Post sale weighing of lots

- (1) Post sale weighing of lots shall be undertaken if the lot has not been pre-weighed. The cost of post-sale weighing shall be met by the buyer.
- (2) In case the lot has been pre-weighed, post-sale weighing may be allowed, if the buyer so demands. In such cases, the cost of such weighing shall be borne by the buyer.
- (3) Post-sale weighing is taken up immediately after the results of bidding have been declared. This will be handled by the authorised personnel. Weighing shall, to the extent feasible, be done in the presence of the farmer, the commission agent and the buyer or their authorised representatives.
- (4) Weighing done by authorised personnel shall be recorded against each lot in a form as in Schedule 4 and shall be entered in the UMP by the staff of the market committee.

14. Gross Sale Amount and Net Sale Amount

- (1) The Gross Sale Amount of a lot is the amount obtained by multiplying the price of the winning bid for that lot by the weight of the lot.
- (2) If the lot has been pre-weighed and there has been no post-sale weighing of the lot, then the pre-sale weight shall be taken to arrive at the Gross Sale Amount.
- (3) If the lot is weighed after the sale and the post-sale weight has been agreed to by the farmer, the buyer and the commission agent, then the post-sale weight shall be reckoned for arriving at the Gross Sale Amount.
- (4) The Gross Sale Amount less other charges payable by the seller (like handling charges, bagging charges etc.) is the Net Sale Amount. This is the amount that would be paid to the seller.

15. Transaction charges

- (1) A transaction charge would be payable to Rashtriya e-market services private limited by the buyer for every purchase through the UMP.
- (2) The transaction charge shall be 0.2 per cent of the Gross Sale Amount, namely, 20 paise for every Rs. 100 of Gross Sale Amount.

16. Total Buyer Obligation Amount

The Total Buyer Obligation Amount shall be the sum of the Gross Sale Amount and other charges payable by the buyer (namely, applicable commission agent charges, applicable market fee, transaction charges and

other charges like handling charges, bagging charges, charges for delayed payment, etc.)

17. Collection and payment

- (1) Collection and payment implies collection of the Total Buyer Obligation Amount from the buyer and remitting the Net Sale Amount to the bank account of the farmer-seller and other amounts to respective accounts.
- (2) The buyer shall transfer the Total Buyer Obligation Amount to the designated bank account of Rashtriya e-market services private limited (called Pool Account) before 11:30 am on the next day of sale. The net sale amount shall be transferred from the Pool Account to the bank account of the farmer-seller by 4 pm on the same day.
- (3) In case the lot is pledged to any bank as security for the loan advanced by the bank, then out of the Net Sale Amount payable, the amounts due to the bank (principal and interest) shall be paid and the balance, if any, credited to the bank account of the farmer-seller.
- (4) Any error in transfer of the Net Sale Amount shall be informed to Rashtriya e- market services private limited within three days of the transfer, and Rashtriya e-market services private limited shall resolve the issue expeditiously.
- (5) Applicable commission agent charges and other charges due to the commission agent shall be transferred from the Pool Account to the bank account of the respective commission agent simultaneously.

- (6) The transaction charge collected shall be transferred from the Pool Account to the bank account of Rashtriya e-market services private limited as per its internal accounting process.
- (7) Market fee collected shall be dealt with as per paragraph 23 below.
- (8) Warehouse rent if collected, shall be aggregated and transferred to the warehouse manager before the 5th of the succeeding month.
- (9) In case of a bank holiday or disruption in banking transaction due to any reason whatsoever, the collection and payment process shall be completed on the next working day.

18. Default by the buyer

- (1) In case of default in payment by the buyer, the margin money, if any, retained by Rashtriya e-market services private limited shall be forfeited. Out of the forfeited amount, 70 per cent shall be transferred to the bank account of the farmer, 10 percent shall be transferred to the bank account of the commission agent, 10 percent shall be transferred to the bank account of the market committee and the balance 10 per cent shall be appropriated by ReMS. Frequent default by a buyer in remitting the Total Buyer Obligation Amount may result in debarring him from participation in this market, apart from other action that may be taken by the Director of Agricultural Marketing in accordance with law.
- (2) Lots where the trade could not be completed due to default by the buyer may be marked for sale by the commission agent on the next day or on any sale day thereafter.

19. Transfer of ownership

In case goods deposited in a warehouse within the precincts of a market yards or the warehouse notified as market yards have been sold, after the Total Buyer Obligation Amount has been remitted by the buyer, Rashtriya e- market services private limited shall verify such remittance and confirm the same to the warehouse manager. The warehouse manager shall immediately thereafter transfer ownership of the goods in accordance with the Warehousing for the Unified Market Platform order.

20. Delivery of goods to the buyer from warehouses

- (1) During the period between completion of sale and delivery, the goods would be in the warehouse within the precincts of a market yards or in the warehouse notified as a market yard. Delivery of such goods shall be at the warehouse on ex-works basis.
- (2) After transfer of ownership as per clause (19) above, the goods may be retained in the warehouse by the buyer. Such storage of goods in the warehouse shall be in accordance with Warehousing for the Unified Market Platform order-
- (3) If the buyer so desires, goods may be delivered immediately after the sale on the same day, after the Total Buyer Obligation Amount has been remitted by the buyer and Rashtriya e-market services private limited has verified such remittance and confirmed the same to the warehouse manager. In such cases, transfer of ownership of sold goods is not necessary. Suitable entries are made in UMP confirming delivery of goods to the buyer.

21. Delivery of goods from the market yard

- (1) In case of sale of goods in the market yard, after the Total Buyer Obligation Amount has been remitted by the buyer, Rashtriya e-market services private limited shall verify such remittance and confirm the same to respective commission agent. The sold goods shall be delivered by the commission agent to the buyer on ex-works basis after such confirmation is received.
- (2) The commission agent may allow such time as may be mutually agreed between him and the buyer for taking delivery of such goods.

22. Generation of post-sale documents

- (1) Post sale documents, namely, the Primary Sale Bill and Account Settlement Slip (*lekka tiruvali patti*) shall be generated by the UMP.
- (2) In case of market yard lots, multiple lots of the same commodity between a commission agent and a buyer may be consolidated into a single Primary Sale Bill. All add-on charges including VAT/CST shall be shown in the Primary Sale Bill. The Primary Sale Bill shall be generated by the commission agent based on details as made available by the UMP.
- (3) Account Settlement Slip shall be generated along with the Primary Sale Bill, showing all deductions and the Net Sale Amount due to the farmer. The Account Settlement Slip shall be delivered to the farmer by the commission agent.

- (4) In case the sale has taken place directly between the farmer and the buyer without a commission agent, a Primary Purchase Bill, containing details similar to the Primary Sale Bill shall be generated by the staff of the market committee, based on details as made available by the UMP.
- (5) The Primary Purchase Bill and the Account Settlement Slip for such direct sales shall be delivered by staff of the market committee to the farmer.

23. Accounting of market fee collected

- (1) The market fee collected shall be remitted to the bank account of the concerned market committee by Rashtriya e-market services private limited in accordance with section 65 (2B) of the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966.
- (2) The Director of Agricultural Marketing may, from time to time, specify the details to be provided by Rashtriya e-market services private limited along with remittances as above.
- (3) Buyers in respect of those commodities where details have been entered shall remit the market fee amount and the transaction charge as if it were the Total Buyer Obligation Amount.

24. Generation of permits

As directed by the Director of Agricultural Marketing, necessary number of copies of permits shall be generated through the UMP.

25. Exit of goods

- (1) Recording exit of goods from the market is critical for tracking of inventory and shall be scrupulously followed.

- (2) Exit of sold lots shall be recorded as per the details in the Primary Sale Bill.
- (3) In case the seller wishes to take back the goods, then an exit pass may be issued by the market committee to the seller and the same shall be duly recorded.

26. Generation of reports

Rashtriya e-market services private limited shall generate such reports as may be directed by the Director of Agricultural Marketing.

27. Settlement of disputes

Any dispute in this regard shall be settled by the Disputes Committee for Online Markets set up by the respective market committee under Rule 91-P (1) of the Karnataka Agricultural Produce Marketing (Regulation and Development) Rules, 1968 and the guidelines issued by the Director of Agricultural Marketing under Rule 91-P (7) of the said Rules.

28. Removal of difficulties

Any difficulty in the implementation of this order shall be referred to the Director of Agricultural Marketing, who shall issue clarifications as deemed necessary.


(P.S. Vastrad)
Director

To

1. The Managing Director, Rashtriya e Market Services Limited, Bangalore.
2. Chairman/Secretary, Agricultural Produce Marketing Committee, Tumkur, Tiptur, Arasikere and Chamarajanagar.
3. The Additional Director (Enforcement), Department of Agricultural Marketing, Bangalore.
4. The Joint Director (Enforcement), Department of Agricultural Marketing, North Zone, Hubli and South Zone, Bangalore.
5. Deputy Director/Assistant Director, Department of Agricultural Marketing, Tumkur, Hassan and Chamarajanagar.
6. Office copy

Schedule 1
Form for registration of farmers

ರೈತರ ನೋಂದಣಿ ಅರ್ಜಿ

ಕಛೇರಿ ಪ್ರತಿ

ಸಂಖ್ಯೆ :

1	ಪೂರ್ಣ ಹೆಸರು.	
2	ಹುಟ್ಟಿದ ದಿನಾಂಕ / ವಯಸ್ಸು	
3	ಲಿಂಗ	
4	ತಂದೆಯ/ಪತಿಯ ಹೆಸರು	ಪುರುಷ ಮಹಿಳೆ
5	ಗುರುತಿನ ದಾಖಲಾತಿ. ಯಾವುದಾದರೂ ಒಂದು ದಾಖಲಾತಿ (ದಾಖಲಾತಿಯ ಪ್ರತಿ ನೀಡುವುದು.)	ದಾಖಲಾತಿ ಸಂಖ್ಯೆ.
6	ಎ. ಆಧಾರ್ ಕಾರ್ಡ್	
	ಬಿ. ರೇಷನ್ ಕಾರ್ಡ್	
	ಸಿ. ಕಿಸಾನ್ ಕಾರ್ಡ್	
	ಡಿ. ಪಾನ್ ಕಾರ್ಡ್	
	ಇ. ಚುನಾವಣಾ ಗುರುತಿನ ಚೀಟಿ.	
	ಎಫ್. ಡ್ರೈವಿಂಗ್ ಲೈಸೆನ್ಸ್.	
	ಜಿ. ಇತರೆ.	
6	ಸಂಪೂರ್ಣ ವಿಳಾಸ.	ಗ್ರಾಮ : ಹೋಬಳಿ : ತಾಲ್ಲೂಕು : ಜಿಲ್ಲೆ : ರಾಜ್ಯ : ಪಿನ್‌ಕೋಡ್ ಸಂ:
7	ಮೊಬೈಲ್ ದೂರವಾಣಿ ಸಂಖ್ಯೆ	
	ಬ್ಯಾಂಕಿನ ಹೆಸರು/ವಿಳಾಸ.	
	ಬ್ಯಾಂಕ್ ಅಕೌಂಟ್ ಸಂಖ್ಯೆ. (ಪಾಸ್‌ಪುಸ್ತಕದ ರುರಾಕ್ಸ್ ಪ್ರತಿ)	
	ಐಎಫ್‌ಎಸ್‌ಸಿ (ಖತಾಖಲ) ಕೋಡ್ ಸಂಖ್ಯೆ.	
	ಶಾಖೆಯ ಕೋಡ್ ಸಂಖ್ಯೆ.	

ನೋಂದಣಿ ಮಾಡಿಕೊಂಡವರ ಹೆಸರು ಮತ್ತು ಸಹಿ

ರೈತರ ಸಹಿ

ಕರ್ನಾಟಕ ಸರ್ಕಾರ

ಕೃಷಿ ಮಾರಾಟ ಇಲಾಖೆ

ರೈತರ ನೋಂದಣಿ ಅರ್ಜಿ

ರೈತರ ಪತ್ರಿ

ಸಂಖ್ಯೆ :

1	ಪೂರ್ಣ ಹೆಸರು.	
2	ಹುಟ್ಟಿದ ದಿನಾಂಕ / ವಯಸ್ಸು	
3	ಲಿಂಗ	ಪುರುಷ ಮಹಿಳೆ
4	ತಂದೆಯ/ಪತಿಯ ಹೆಸರು	
5	ಗುರುತಿನ ದಾಖಲಾತಿ. ಯಾವುದಾದರೂ ಒಂದು ದಾಖಲಾತಿ (ದಾಖಲಾತಿಯ ಪ್ರತಿ ನೀಡುವುದು.)	ದಾಖಲಾತಿ ಸಂಖ್ಯೆ.
	ಎ. ಆಧಾರ್ ಕಾರ್ಡ್	
	ಜಿ. ರೇಷನ್ ಕಾರ್ಡ್	
	ಸಿ. ಕಿಸಾನ್ ಕಾರ್ಡ್	
	ಡಿ. ಪಾನ್ ಕಾರ್ಡ್	
	ಇ. ಚುನಾವಣಾ ಗುರುತಿನ ಚೀಟಿ.	
	ಎಫ್. ಡ್ರೈವಿಂಗ್ ಲೈಸೆನ್ಸ್.	
	ಜಿ. ಇತರೆ.	
6	ಸಂಪೂರ್ಣ ವಿಳಾಸ.	ಗ್ರಾಮ : ಹೋಬಳಿ : ತಾಲ್ಲೂಕು : ಜಿಲ್ಲೆ : ರಾಜ್ಯ : ಪಿನ್‌ಕೋಡ್ ಸಂ:
7	ಮೊಬೈಲ್ ದೂರವಾಣಿ ಸಂಖ್ಯೆ	
	ಬ್ಯಾಂಕಿನ ಹೆಸರು/ವಿಳಾಸ.	
	ಬ್ಯಾಂಕ್ ಅಕೌಂಟ್ ಸಂಖ್ಯೆ. (ಪಾಸ್‌ಪುಸ್ತಕದ ಝರಾಕ್ಸ್ ಪ್ರತಿ)	
	ಐಎಫ್‌ಎಸ್‌ಸಿ (ಬಿಈಐಎ) ಕೋಡ್ ಸಂಖ್ಯೆ.	
	ಶಾಖೆಯ ಕೋಡ್ ಸಂಖ್ಯೆ.	

ನೋಂದಣಿ ಮಾಡಿಕೊಂಡವರ ಹೆಸರು ಮತ್ತು ಸಹಿ

ರೈತರ ಸಹಿ

Schedule 2

Form for declaring details of bank account

Sl. no	Declaration of bank account particulars	
1	Name of the commission agent	
2	Name of the market where licensed	
3	Licence number as given by the market committee or Director of Agricultural Marketing	
4	Name of the Bank and branch	
5	Bank account number	
6	IFSC code	
7	Signature of the commission agent with date	

Schedule 3

Form of pre weighment slip

Sl. No.	Pre weighment slip	
1	Name of the Farmer	
2	Name of the commission agent	
3	Licence number of the commission agent	
4	Name of the commodity	
5	Lot Number	
6	Pre-sale weight (in kgs)	
7	Date	

Name & Signature of the Farmer

Name & Signature of the
commission agent

Schedule 4

Form of post weighment slip

Sl. No.	Post weighment slip	
1	Name of the Farmer	
2	Name of the commission agent / trader	
3	Licence number of the commission agent/trader	
4	Name of the commodity	
5	Lot Number	
6	Post-sale weight (in kgs)	
7	Date	

Name & Signature of the Farmer

Name & Signature of the
commission agent

Name & Signature of the trader